

CITY AND COUNTY OF SAN FRANCISCO LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

October 10, 2019

Ms. Angela Calvillo, Clerk of the Board City Hall Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

RE: BOS File No. 190811- Environment Code - Promotion of Reusable Food Service Ware

Small Business Commission Recommendation to the Board of Supervisors: **Approve only if amended.**

Dear Ms. Calvillo,

On October 7, 2019 the Small Business Commission (SBC or Commission) heard BOS File No. 190811 - Environment Code - Promotion of Reusable Food Service Ware. Mr. Lee Hepner, legislative aide to Supervisor Peskin provided the SBC with an overview of the legislation and was supported by Jack Macy, Senior Zero Waste Coordinator with SF Environment.

The Commission voted unanimously (6-0 with 1 absent) to recommend that: once the sponsor's amendments are made to the legislation, that it be brought before the Commission a second time, and that the Commission's conversation regarding the legislation and public comment be taken into consideration in the second version of the legislation. They also made clear in their motion that they would not support the legislation should it move forward as it was presented to them.

The Commission affirmed their support of the spirit of the legislation, which is to reduce, reuse, recycle, compost, and otherwise divert solid waste from landfill. They are particularly understanding of the legislation's intent as it relates to the San Francisco's commitment to becoming a zero-waste city. However, the Commission expressed much concern relating to the legislation's implementation and a small business's capacity to comply in an economical manner, especially in relationship to other recently passed ordinances.

In particular, the SBC contemplated the effect this would have on smaller to-go businesses that are often immigrant owned and have access to fewer resources. While they recognized that many businesses who have already adopted practices similar to those that would be required by the ordinance have experienced cost-savings in the long run, they are concerned that short term losses that vulnerable businesses may experience would be detrimental to their survival. This may be especially true when considering other city mandated requirements that businesses must comply with and fees that they must pay. Additionally, the Commission and members of the public expressed concern relative to what may be small businesses' responsibility to educate their customers on the new requirements. Consumer education of new city requirements can amount to significant time costs for small businesses.

The Commission also noted that more information would be beneficial relative to how this ordinance interacts with the tenets of the Americans with Disabilities Act (ADA). This concern was raised due to challenges that arose from the recent plastic straw ban for many small businesses.

Based on public comment and their own discussion, the Commission specifically requested that the presenter return to share the anticipated second version of the legislation.

Thank you for considering the Commission's comments. Please feel free to contact me should you have any questions.

Sincerely,

Regina Dick-Endrizzi

Director, Office of Small Business

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cc: Aaron Peskin, Member, Board of Supervisors,

Sophia Kittler, Mayor's Liaison to the Board of Supervisors Deborah Raphael, Director, Department of the Environment Lisa Pagan, Office of Economic and Workforce Development Erica Major, Clerk, Land Use and Transportation Committee